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Attorneys for Plaintiff Millrock Investment Fund 1, LLC

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF UTAH, CENTRAL DIVISION

MILLROCK INVESTMENT FUND 1, LLC,

Plaintiff,

v.

HEALTHCARE SOLUTIONS
MANAGEMENT GROUP, INC.;
HEALTHCARE SOLUTIONS HOLDINGS
INC.; LANDES CAPITAL MANAGEMENT,
LLC; LANDES AND COMPAGNIE TRUST
PRIVE KB; JOSHUA CONSTANTIN;
JUSTIN SMITH; STUART MCMAHEN; and
BLACK LABEL SERVICES, INC.,

Defendants.

**STATUS REPORT RE STATUS OF THIS
CASE IN LIGHT OF HSMG'S
BANKRUPTCY CASE**

Case No. 2:23-cv-00157-RJS-DAO

Chief District Judge Robert J. Shelby

Magistrate Judge Daphne A. Oberg

Pursuant to the Court's Order Granting Motion to Stay and Motion for Extension of Time [Dkt. #97] (the "Order"), Plaintiff Millrock Investment Fund 1, LLC ("Millrock") respectfully submits this Status Report re Status of this Case in Light of HSMG's Bankruptcy Case.

Counsel for Millrock spoke by phone today with the chapter 7 Trustee (the “Chapter 7 Trustee”) in HSMG’s bankruptcy case. From that phone conference, Millrock understands that (1) the Chapter 7 Trustee has been communicating, without limitation, with Joshua Constantin and Justin Smith regarding relevant factual issues relating to HSMG’s bankruptcy case; (2) the Chapter 7 Trustee has been attempting to obtain additional documents and information relevant to HSMG’s bankruptcy case, but the Trustee has not yet been able to obtain those documents and information; and (3) the Chapter 7 Trustee has been attempting to obtain information necessary to assess the effect of the automatic stay from HSMG’s bankruptcy on the claims in this case, and to assess whether the Chapter 7 Trustee will pursue Millrock’s claims at issue in this case, but the Trustee has not yet been able to obtain that information.

In addition, on April 30, 2024, the Chapter 7 Trustee filed in HSMG’s bankruptcy case a Motion of the Chapter 7 Trustee to Compel Debtor to File Schedules of Assets and Liabilities, Statement of Financial Affairs, and Creditor Matrix. A hearing has been scheduled on that Motion for June 4, 2024. Millrock understands that HSMG has not filed the necessary schedules and other information in HSMG’s bankruptcy case, and that HSMG’s failure to do so has hampered the ability of the Chapter 7 Trustee to assess the effect of the automatic stay from HSMG’s bankruptcy on the claims in this case, and to assess whether the Chapter 7 Trustee will pursue Millrock’s claims at issue in this case.

Finally, from today’s phone conference with the Chapter 7 Trustee, counsel for Millrock understands that the Chapter 7 Trustee hopes to complete by approximately the end of July 2024 his initial assessment of the HSMG bankruptcy issues affecting this case. Accordingly, Millrock respectfully requests that the Court extend the Order as follows:

- Stay all case deadlines in this case through July 31, 2024;
- Order the parties to file a status report regarding the status of this case in light of HSMG's bankruptcy case on or before July 31, 2024;
- Order that the deadlines for Millrock to respond to Mr. Smith's Motion to Set Aside Default Judgment Against Justin Smith and Mr. Smith's Motion to Dismiss are extended to August 22, 2024; and
- Order that the deadline for the parties to seek leave to amend pleadings or add additional parties is extended to August 22, 2024.

DATED this 15th day of March, 2024.

PARR BROWN GEE & LOVELESS

By: /s/ Rodger M. Burge

Terry E. Welch

Bentley J. Tolk

Rodger M. Burge

Attorneys for Plaintiff Millrock Investment

Fund 1, LLC

CERTIFICATE OF SERVICE

I hereby certify that on this 15th day of May, 2024 I caused to be served a true and correct copy of the foregoing document via the CM/ECF system on the following attorneys for Joshua Constantin and Stuart McMahan:

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and via email and First Class U.S. Mail (send by Mail on May 16, 2024) on the following:

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By: /s/ Rodger M. Burge